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community and university partners.*



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November 13, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO OUTSOURCING OF ADVANCED LIFE
SUPPORT AND CRITICAL CARE AMBULANCE TRANSPORTATION
SERVICES AGREEMENT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to extend the term of the Outsourcing of Advanced Life Support and Critical Care Ambulance Transportation Services Agreement.

IT IS RECOMMENDED THAT THE BOARD:

Authorize the Director of Health Services (Director), or his designee, to execute an amendment with American Medical Response of Southern California (AMR) to extend the term of the agreement, for the period December 1, 2012 through December 31, 2013, for the continued provision of Outsourcing of Advanced Life Support and Critical Care Ambulance Transportation (Ambulance Transportation) services from the Martin Luther King, Jr. – Multi-Service Ambulatory Care Center (MLK MACC), at an estimated maximum cost of \$583,737 for the extension period.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow the Director to execute an Ambulance Transportation Amendment, substantially similar to Exhibit I, to extend the term of the agreement on a month-to-month basis at the discretion of the Director, effective December 1, 2012 through December 31, 2013, for the continued provision of ambulance transportation services. The current agreement expires November 30, 2012.

The amendment with AMR is necessary to continue uninterrupted Advanced Life Support (ALS) and Critical Care (CC) Ambulance Transportation Services while Department of Health Services (DHS) analyzes pertinent data to better gauge the operational needs of the new hospital scheduled to re open in January 2014.

Implementation of Strategic Plan Goals

The recommended action supports Goal 1, Operational Effectiveness, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total estimated maximum obligation for the extension period of December 1, 2012 through December 31, 2013 is \$583,737. Funding is included in DHS' Fiscal Year 2012-13 Final Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 28, 2006, the Board delegated authority to the Director of the Department of Health Services (DHS) to, among other items necessary for the implementation of MetroCare, execute an agreement to provide ALS and CC Ambulance Transportation Services at Martin Luther King-Harbor Hospital (MLK-Harbor), at an estimated \$1 million for the period of December 1, 2006, through November 30, 2007 with the option to extend the agreement on a monthly basis through November 30, 2009, on the same terms and conditions.

Due to the time constraints involved in putting these services in place at the time, a formal solicitation was not feasible. Instead, DHS chose to release a Request for Information to gauge interest in this contract opportunity. DHS staff reviewed each submittal to determine whether the response indicated that the interested party had the capacity to provide the service and, particularly, whether it demonstrated the ability to meet DHS' compressed time schedule. As a result of this process, DHS selected AMR to provide ALS and CC Ambulance Transportation Services from MLK-Harbor to other County and private sector hospitals.

On November 20, 2007, the Board approved an amendment to the AMR agreement to continue these services at a reduced number of hours since the need for these ambulance transportation services had diminished.

On June 16, 2009, the Board directed the Chief Executive Officer, working with the Internal Services Department, County Counsel, Auditor-Controller, and other County departments, to develop the parameters for a contract cost-savings initiative by requesting that contractors reduce contract costs effective in FY 2009-10 in return for contract extensions. In exchange for a three-year contract extension, AMR agreed to reduce the contract's rates by eight percent, resulting in a savings of

\$70,875 in the last three FYs. AMR has been a responsive contractor and has agreed to continue to provide the services at the reduced rates during the extension period.

The current contract is being extended for this 13-month period to ensure continuation of these necessary ambulance transportation services. This extension request is due to the length of time required to complete an effective solicitation process, uncertainties involved in Health Care Reform, and the need to reassess the service needs of the new Hospital scheduled to re-open in January 2014. If it is determined that these services will be needed beyond December 2013, DHS will conduct a competitive solicitation.

County Counsel has approved Exhibit I as to form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendation will ensure the continued provision of ALS and CC Ambulance Transportation Services for patients from the MLK MACC to County and private sector hospitals through December 31, 2013.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is fluid and cursive, with the first name "Mitchell" and the last name "Katz" clearly distinguishable.

Mitchell H. Katz, M.D.

Director

MHK:cc

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

ADVANCED LIFE SUPPORT AND CRITICAL CARE AMBULANCE
TRANSPORTATION SERVICES AGREEMENT

Amendment No. 3

This Amendment is made and entered into this _____ day of _____, 2012 by and between the COUNTY OF LOS ANGELES (hereafter "County"), and AMERICAN MEDICAL RESPONSE OF SOUTHERN CALIFORNIA (hereafter "Contractor").

WHEREAS, on November 28, 2006, the County and Contractor, entered into Agreement No. H-75938 to provide Outsourcing of Advanced Life Support (ALS) and Critical Care (CC) Ambulance Transportation Services; and

WHEREAS, on November 20, 2007, The Board approved Amendment No. 1 to adjust service parameters of Agreement No. H-75938; and

WHEREAS, on October 20, 2009, The Board approved Amendment No. 2 to implement cost-savings initiative in exchange for term extension of Agreement No. H-75938; and

WHEREAS, it is the intent of the parties to extend the current amendment for a period of thirteen months to coincide with the reopening of a new Martin Luther King (MLK), Jr. Hospital; and

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective on December 1, 2012.
2. This Agreement is hereby amended to delete paragraph 1. Term, subparagraph A. in its entirety and replace it as follows:
"A. This Agreement shall become commence effective December 1, 2006,

EXHIBIT I

and shall remain in full force and effect to and including December 31, 2013. The Agreement, however, may be sooner cancelled or terminated at any time, without cause by the County, upon giving at least sixty (60) calendar days written notice thereof to the other. Either party may terminate with cause upon giving at least sixty (60) calendar days prior written notice thereof to the other. In addition to the aforementioned, County reserves the right to reduce the number of dedicated units provided for under this Agreement subject to the above notice requirements."

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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EXHIBIT I

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by the County's Director of Health Services and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By: _____
Mitchell H. Katz, M.D.
Director of Health Services

AMERICAN MEDICAL RESPONSE OF
SOUTHERN CALIFORNIA

By: _____
Signature

Printed Name

Title

APPROVED AS TO FORM
BY THE OFFICE OF THE
COUNTY COUNSEL